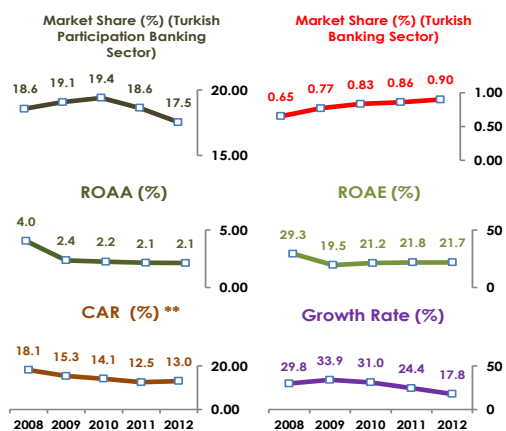


alBaraka		Long Term	Short Term	
International	Foreign Currency	BB +	B	
	Local Currency	BB +	B	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	AA (Trk)	A-1+ (Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand-Alone		AB	-	
Sovereign*	Foreign Currency	BB	B	
	Local Currency	BB	B	
	Outlook	FC	Stable	Stable
		LC	Positive	Stable

*Assigned by Japan Credit Rating Agency, JCR on June 28, 2012

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Strengths

- Sound average returns on assets and in equity,
- Below sector averages non-performing loans ratio and higher provisioning contributed to the assets quality,
- Sustainable profit generation capacity through resilient income components,
- Substantial growth performance in terms of assets size base, well over the Turkish banking sector average for the last five year period,
- Solid and broad customer deposit base along with a maturity profile of collected funds well above the sector average,
- Sturdiness of the Turkish banking system in general and good operational environment,
- Retention profit policy contributing to the capital adequacy level,
- Efforts to diversify funding sources such as subordinated loans through overseas Sukuk financial markets,
- High level of compliance with corporate governance best practices.

Constraints

- Continuous diminution in total income coverage of total expenses,
- Upcoming entry into the interest free banking segment of two state-owned banks to exert pressure on the profitability levels and growth in loans, assets and deposit due to further competition,
- Remarkable increase in activity expenses,
- Limited products and fund resources convenient to the principle Islamic Sharia,
- Significant increase in foreign currency risk exposure-long, in particular in USD, and no utilization of derivatives instrument for risk hedging.

Albaraka Türk Katılım A.Ş.					
Financial Data	2012*	2011*	2010*	2009*	2008*
Total Assets (000,000 USD)	6,935	5,538	5,467	4,313	3,147
Total Assets (000,000 TL)	12,328	10,461	8,406	6,415	4,789
Equity (000,000 TL)	1,218	1,004	853	711	638
Net Profit (000,000 TL)	192	160	134	105	136
Market Share (%)**	17.54	18.63	19.40	19.08	18.56
ROAA (%)	2.12	2.14	2.24	2.35	4.04
ROAE (%)	21.71	21.77	21.20	19.54	29.26
Equity/Assets (%)	9.88	9.60	10.14	11.08	13.32
CAR - Capital Adequacy Ratio (%)	13.03	12.53	14.09	15.33	18.12
Asset Growth Rate (Annual) (%)	17.85	24.44	31.04	33.95	29.79

* End of year ** On solo basis among the Turkish Participation Banking Sector

Overview

Albaraka Türk Katılım Bankası A.Ş. (hereinafter referred to as “Albaraka Türk” or “the Bank”), the first financial institution in the field of interest-free banking in Turkey, was established in 1984 and commenced operations in the beginning of 1985. As an international participation bank, Albaraka Türk offers services in the corporate, commercial, SME and retail banking fields as well as provides services in financial leasing and profit/loss sharing based projects through its widespread network of 136 branches in Turkey and 1 branch in Iraq as of the end of 2012.

The Bank’s qualified shareholder the Al Baraka Banking Group (ABG) is a Bahrain based Joint Stock Company, listed on the Bahrain Bourse and Nasdaq Dubai stock exchanges with a USD 19.55bl assets size as of FY2012. ABG is one of the leading groups of the Middle East, providing retail, corporate and investment banking and treasury services strictly conforming to the principles of Islamic Shari’a, with subsidiaries in thirteen countries through 424 branches.

Albaraka Türk is the smallest participation bank amongst the four participation banks in the Turkish Banking Sector, with a 17.54% market share, and a 0.90% market share of the entire Turkish banking sector. Shares of Albaraka Türk, with a current free float of 22.97%, have been traded on the Borsa İstanbul A.Ş. (BIST) since 2007.